

[7 August, 2001]

RAJYA SABHA

**One time settlement scheme in State Bank of Indore**

†1778. SHRI SURESH PACHOURI: Will the Minister of FINANCE be pleased to state:

(a) whether the State Bank of Indore has extended benefits of one time settlement scheme of Reserve Bank of India to such account holders who have been considered by the Branch Managers/ Comptrollers as wilful defaulters even after their review;

(b) whether senior administrative Government officials are credit guarantor in such cases where compromises have been made against recommendations of Branch Manager/Comptrollers;

(c) whether the entire facts have been placed before the Executive Committee of the Bank or Board; and

(d) whether action has been taken/proposed to be taken in respect of the complaints received in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) State bank of Indore has reported that it has not extended the benefit of Reserve Bank of India's one-time settlement scheme to any bad debtor who is classified as a wilful defaulter in terms of RBI's guidelines.

(b) the information is being collected by the Bank from all its branches and shall be laid on the Table of the House.

(c) The Bank has reported that all sanctions by its General Managers/ Chief General Manager/Managing Director are placed before the Executive Committee of the Bank's Board of Directors for review and sanction of the Executive Committee are obtained for proposals where there are any deviations from RBI's one-line settlement scheme guidelines.

(d) The Bank has reported that it initiates appropriate action wherever any complaint is received in respect of any compromise proposal under the above scheme of RBI.

**Export benefit fraud at IGI Airport**

1779. SHRI AMAR SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government had recently detected an export benefit fraud of 8 crore at Indira Gandhi International Airport during an operation clean up drive;

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†Original notice of the question was received in Hindi.

(b) if so, what are the details thereof; and

(c) what action Government have taken against the persons involved therein and whether the connivance of Customs Officials has also been established?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN):** (a) and (b) Yes, Sir. A case of attempted export related fraud has been detected in Air Cargo Unit of Delhi Customs wherein an exporter had misdeclared the true nature as well as value of the goods to get away with unwarranted benefits estimated at Rs. 8 crore.

(c) Roles of one Preventive Officer and one Supdt. of Customs working on export side who had handled the export documents are under investigation. Both the officers have been placed under suspension. Further investigation is in progress to unearth the detailed *modus-operandi* and persons associated with this fraud. One person suspected of involvement in the case has been arrested so far and was remanded to judicial custody on 16.7.2001. Role of other persons involved is also being examined and further investigations in the case are in progress.

#### **Rate of interest on deposits of senior citizens**

**1780. SHRI NANA DESHMUKH:** Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that senior citizens who invest their money in bank deposits would now earn a higher interest;

(b) whether it is also a fact that the banks have been given the right to decide the rate they will offer to the senior citizens;

(c) if so, what are the reasons for banks discretion and departing from the well established practice about the rate of interest; and

(d) whether it would create competition even among the nationalised banks?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL):** (a) and (b) Yes, Sir. Reserve Bank of India (RBI) have permitted banks to formulate fixed deposit schemes specifically